

FHA Plus Overlay Matrix

POLICY	FAM POLICY	FHA PLUS	GOOD NEIGHBOR NEXT DOOR	\$100 DOWN
MAXIMUM EXPOSURE	FAM limits any one borrower in a 12 mth period to have the lessor of 6 loans or \$2M	✓	✓	✓
MAXIMUM NUMBER OF BORROWERS	4 per transaction	✓	✓	✓
ARM OFFERINGS	5/1 ARM not permitted	-	✓	✓
INELIGIBLE PROGRAMS	Assumptions	✓	✓	✓
	Build on own land	✓	✓	✓
	Construction to Perm	✓	✓	✓
	Disaster and 203h Mortgage	✓	✓	✓
	Hawaiian Homelands section 247	✓	✓	✓
	Indian Home Loan Guarantee Program section 184	✓	✓	✓
	Native American land section 248	✓	✓	✓
	Section 8	✓	✓	✓
	Short refi-borrower with negative equity	✓	✓	✓
	Solar and wind technologies	✓	✓	✓
	Texas 50(a)(6) and Texas (50(a)(4)	✓	-	-
	MCC	✓	✓	✓
	EEM	Changes after closing Not Permitted	✓	✓
NEW CONSTRUCTION	Property must be an existing construction < 1 Year Proposed & Under Construction not permitted	✓	✓	✓
RATE AND TERM REFINANCES	Second homes not permitted	✓	-	-
STREAMLINE REFINANCE	<ul style="list-style-type: none"> Second home not permitted Non-owner occupied: Not permitted VVOE required 1003 to reflect employment only- No income 	✓	-	-
SIMPLE REFINANCE	Second homes not permitted	✓	-	-
CREDIT SCORE	Minimum FICO: 620	✓	✓	✓



LOANS IN FORBEARANCE	<ul style="list-style-type: none"> • LOE from borrower(s) explaining reason for entering into forbearance • Manual downgrade options not permitted 	✓	✓	✓
MAXIMUM DTI/ RESERVES	<ul style="list-style-type: none"> • AUS accept with DTI > 50% & fico between 620-679: 3 months PITIA in reserves required 	✓	✓	✓
AGE OF DOCUMENTS	<ul style="list-style-type: none"> • Income and Asset Documents must be ≤ 60 days prior to note date 	✓	✓	✓
NON-TRADITIONAL CREDIT	Not permitted	✓	✓	✓
MORTGAGE CREDIT REJECT	Management second signature required	✓	✓	✓
MANUAL UNDERWRITING	<ul style="list-style-type: none"> • Minimum 640 Fico • 2 months PITIA in reserves • Second signature required 	✓	✓	✓
SELF EMPLOYED	YTD P & L with 2 months bank statements supporting business income	✓	✓	✓
SELF EMPLOYED VERIFICATION	Verbal lender certification not permitted	✓	✓	✓
LOANBEAM & eVOA	Not permitted	✓	✓	✓
VERBAL VOE	<ul style="list-style-type: none"> • Salary/Wage Earner: 10 calendar days on or before note date • Self-Employment: 10 calendar days on or before note date 	✓	✓	✓
DIVIDEND AND INTEREST	2-year average must be used in calculation	✓	✓	✓
BUSINESS FUNDS	Exception to published policy permitted with Mgmt. approval (HUD does not provide guidance)	✓	✓	✓
TRUSTS	Only Inter Vivos Revocable Trusts permitted	✓	✓	✓
HUD MARKETING APPROACHES (GNND)	Insurable with Repair Escrow not permitted	-	✓	-
	Uninsurable	-	✓	-
DISASTER RE-INSPECTIONS	Follow FAM Disaster Policy	✓	✓	✓
ESCROW WAIVERS	Not Permitted (GNMA)	✓	✓	✓
REPAIR ESCROWS	Not Permitted	✓	✓	✓
TEMPORARY BUYDOWNS	Temporary buydowns not permitted	✓	✓	✓



LAYERED RISK	If 3 of the following are present, Underwriting Management review and approval is required.			
	• Unstable work history			
	• Payment shock that exceeds 150%			
	• Less than 3 tradelines that have been active within the past 3 years for a minimum of 24-month duration	✓	✓	✓
	• Any late payment in the last 12 months			
• Total gift funds				

MANUFACTURED HOMES & CONDOS

POLICY	FAM POLICY	FHA PLUS	GOOD NEIGHBOR NEXT DOOR	\$100 DOWN
MANUFACTURED HOMES	Ineligible	✓	✓	✓
CONDOMINIUMS	HRAP/DELRAP Ineligible	✓	✓	✓